

**IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE DISTRICT OF DELAWARE**

In re:  W.R. GRACE & CO., <i>et al.</i> ,  Debtors.	) Chapter 11 ) ) Case No. 01-1139 (JKF) ) Jointly Administered ) ) Objection Deadline: N/A ) Hearing Date: N/A ) <b>Related Docket Nos.: 16626 &amp; 16627</b> )
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**RESPONSE OF THE OFFICIAL COMMITTEE OF ASBESTOS PERSONAL  
INJURY CLAIMANTS TO THE MOTION OF THE UNITED STATES TRUSTEE  
FOR APPOINTMENT OF AN EXAMINER PURSUANT TO 11 U.S.C. § 1104(c)  
RELATED TO THE CONDUCT OF L TERSIGNI CONSULTING, P.C.**

The Official Committee of Asbestos Personal Injury Claimants (the “Committee”) has no objection to the United States Trustee’s motion for appointment of an examiner related to the conduct of L Tersigni Consulting (“LTC”).

The Committee respectfully requests, however, that the Court direct the United States Trustee, to the extent possible, to nominate the same person in any chapter 11 case in which it seeks an examiner to review the conduct of LTC. As the Court is aware, LTC was engaged by the Asbestos Creditors Committees in other chapter 11 proceedings.

Those proceedings include the following 18 pending and closed cases:

Pending cases

D. Del.	<i>In re</i> W.R. Grace & Co. <i>In re</i> ACandS, Inc. <i>In re</i> Federal Mogul Global, Inc. <i>In re</i> The Flintkote Co.
W.D. Pa.	<i>In re</i> Global Industrial Technologies, Inc. <i>In re</i> North American Refractories Co. <i>In re</i> Pittsburgh Corning Corp.

D.N.J.        *In re Burns & Roe Enterprises, Inc.*  
                 *In re Congoleum Corp.*  
                 *In re G-I Holdings, Inc.*

S.D.N.Y.       *In re Quigley Co., Inc.*

Closed cases

D. Del.        *In re Armstrong World Industries, Inc.*  
                 *In re Combustion Engineering, Inc.*  
                 *In re Owens Corning*  
                 *In re USG Corp.*  
                 *In re Kaiser Aluminum, Inc.*

W.D. Pa.       *In re Mid-Valley, Inc.*

E.D. La.       *In re Babcock & Wilcox Co.*

The United States Trustee has recently moved for the appointment of an examiner in one of these cases, In re G-I Holdings, Inc., No. 01-30135 (Bankr. D.N.J.), and may seek an examiner in others. The questions to be raised both in this case and in G-I are raised similarly in each of the other pending and closed cases. Indeed, with the exception of some case-specific billing records, discovery would likely be identical. The appointment of the same examiner in any chapter 11 case in which an examiner is necessary would avoid unnecessary duplication and significantly lower the cost of the inquiry in this and other cases. Moreover, if there are repayments due to any of the estates, should funds be insufficient, they should be allocated fairly after knowledge is complete.

We have been informed that LTC has engaged separate independent counsel, Heller Ehrman LLP, who has already conducted a study and who should be in a position to report to the U.S. Trustee and to the Courts in the near future. The Committee suggests that any information provided by Heller Ehrman be taken into consideration by

the United States Trustee and the Court in crafting a methodology for determining whether excessive payments were made and how any repayment can be fashioned.

Finally, with respect to discovery of LTC's records or other discovery from former LTC employees, the Committee asks the Court to recognize that, as the Committee's former financial advisor, LTC and its former employees have information and documents protected by the Committee's attorney-client privilege and that are privileged work product. Should discovery be sought from LTC or its former employees that implicates those privileges, the Committee will request appropriate procedures and safeguards.

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Dated: September 10, 2007

Respectfully submitted,

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